

FISCAL NOTE

SB 2808 - HB 2917

February 12, 2004

SUMMARY OF BILL: Revises requirements concerning non-coverage of sole proprietors and partners relating to workers' compensation and creates a Class D felony offense for any principal, intermediate contractor, or subcontractor who, after being presented with a current certificate of noncoverage by a sole proprietor or partnership, requires that the sole proprietor or partnership contribute to or pay for workers' compensation coverage of the proprietor or partnership.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,193,298

\$90,000 One-Time

\$5,000/ Incarceration*

Increase State Revenues - \$1,000,000 First year

\$500,000 Every Other Year

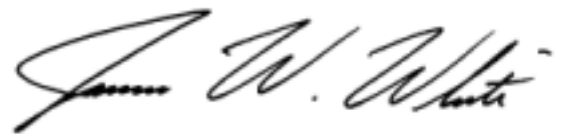
Estimate assumes:

- increase in revenues from collection of fees from 20,000 requests for certificates @ \$50 each.
- increase in revenues from collection of fees from approximately 10,000 request every other year and thereafter.
- increase in expenditures for 26 positions and related expenses in the Department of Labor and Workforce Development to enforce the requirements of the bill.
- increase in state expenditures for incarcerations based upon an additional Class D felony conviction every other year.

**Section 9-4-210, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated for operating cost, in current dollars, shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

